

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Enercept, Inc.

South Dakota Manufacturing Extension Partnership

Enercept, Inc. is Lean and Green

Client Profile:

Enercept, Inc., founded in 1982, is one of the world's leading manufacturers of structural insulated panels, known in the building industry as 'SIPs.' Enercept SIPs are composed of a solid layer of expanded polystyrene insulation (EPS) laminated between oriented strand board (OSB) to form an exterior framing system of superb energy efficiency and strength. Performance tests have shown SIPs to be stronger, quieter, safer, faster to construct and 50 percent more energy efficient than traditional methods of construction. The Enercept system is used in commercial, agricultural, residential and cold storage application. Enercept is also committed to being 'green.' OSB is derived from short growth, replaceable tree crops. The EPS foam insulation contains no chlorofluorocarbons or formaldehyde, both harmful to the environment. Most Enercept basement panels contain up to 80 percent recycled foam. The company employs 60 people.

Situation:

Enercept had no formal system for obtaining customer feedback. "The only time we heard from our customers was when they had a complaint," said Bobbie Helwig, Enercept's Human Resources Manager. Also, Enercept had never instituted a continuous improvement program, including a system for soliciting and implementing employee ideas. The company was first introduced to Dakota MEP, a NIST MEP network affiliate, through Enercept's participation in a Lean 101 Workshop. The company contacted Dakota MEP for help.

Solution:

Dakota MEP and national MEP consultant Richard Johnson conducted a marketing workshop along with a three-day Value Stream Mapping for Enercept employees. Company employees also attended Dakota MEP Lean 101 and Quick & Easy Kaizen workshops and webinars. Five Enercept employees completed the Lean Certification program. Dakota MEP worked with Enercept employees to put in place a customer feedback program asking customers to give the company a letter grade of 'A' through 'F' on the various aspects of service. "Before, we weren't doing anything," said Helwig. "Now, a grade of 'C' spurs us into action, and a 'D' or 'F' really gets our attention!" As a result of Dakota MEP's assistance, Enercept has instituted a 15-day turnaround policy from the time the approved drawing arrives at their shop, until delivery. A tracking board mounted on the wall at the company traces the timeframe, helping to enforce the turnaround goal. As a part of its formal continuous improvement program, Enercept encourages each employee to submit at least one idea per month. Each employee who submits an idea is eligible to win a monthly \$50 cash drawing. Helwig sends out a weekly e-bulletin summarizing the 'week in Lean.' The company averages 20 employee suggestions per month.

Results:

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* Realized \$30,000 in cost savings.

Testimonial:

"Dakota MEP has introduced us to organized methods of implementing Lean principles. These tools enable our employees to be more efficient and creative, while working together to create better work processes. Our biggest impact with Dakota MEP has been to increase overall efficiency of ALL work processes. Lean principles have instilled a sense of ownership in employees so we ALL are constantly looking for ways to improve our practices and product, while changing the company culture and improving the bottom line.

Bobbie Helwig, Human Resources Manager